NOTICE OF AMENDMENT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

March 24, 1998

Mr. Ted Metzing President Portland Pipe Line Corporation 30 Hill Street South Portland, ME 04116-2590

CPF No. 18503M

Dear Mr. Metzing:

On September 23-26, 1997, representatives of the Eastern Region, Office of Pipeline Safety (OPS), pursuant to Chapter 601 of 49 United States Code, conducted an on-site pipeline safety inspection of the Portland - Montreal Pipe Line System from South Portland, Maine to Sutton, Vermont.

As a result of the review of your operating and maintenance manuals, the requirements for which are set forth in § 195.402(c), the following inadequate procedures were noted:

1. § 195.418(d) requires that whenever any pipe is removed from the pipeline for any reason, the operator must inspect the internal surface for evidence of corrosion. If the pipe is generally corroded such that the remaining wall thickness is less than the minimum thickness required by the pipe specification tolerances, the operator shall investigate adjacent pipe to determine the extent of the corrosion. The corroded pipe must be replaced with pipe that meets the requirements of this part or, based on the actual remaining wall thickness, the operating pressure must be reduced to be commensurate with the limits on operating pressure specified in this Subpart.

Your procedure manual is inadequate in that it does not take into consideration the inspection of the internal pipe surface.

2. § 195.424 requires that no operator may move any line pipe, unless the pressure in the line section involved is reduced to not more than 50 percent of the maximum operating pressure.

Your procedure manual is inadequate in that it does not take into consideration the movement of line pipe.

The OPS is issuing to you a Notice of Amendment requiring that your procedures be amended to comply with the requirements of the regulations referenced.

When it is found that an operator's procedures are inadequate, 49 C.F.R. 190.237 provides that the operator, after notice and opportunity for hearing, may be required to amend its plan and procedures. This letter serves to provide you with the notice of the inadequate procedures and the response options as prescribed under §192.237. If you do not wish to contest this notice, please provide your revised procedures within 30 days of receipt of this notice.

Also, attached to and made part of this Notice is a description of the response options available to you. Please note that if you elect to make a response, you must do so within 30 days of your receipt of this Notice or wave your rights under 49 CFR 190.209. No response or a response which does not contest the allegations in the Notice authorizes the Associate Administrator, Office of Pipeline Safety to find the facts to be as alleged herein and to issue an appropriate Compliance Order. The 30 day response period may be extended for good cause shown and submitted within the original 30 days.

Please refer to CPF No. 18503M in any correspondence/communication on this matter.

Sincerely,

William H. Gute Eastern Regional Director Office of Pipeline Safety

Enclosure

BCOY/sj/DPS-24/(609) 989-2180/3/24/98

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cc: DPS-22.1, DPS-24, NJDO, Regions, Chuck, Byron, Atif, Phillip

Electronic File: Lea Coleman